

PREVENTING & REPORTING UI FRAUD

What is Employer Unemployment Insurance (UI) Fraud?

When an employer knowingly provides false information or withholds facts to avoid or reduce UI contribution liability.

Examples of Employer UI Fraud

- Deliberately reporting incorrect or zero wages.
- Intentionally misclassifying employees as independent contractors.
- Paying workers off-the-books or under-the-table wages to avoid paying UI taxes.
- Manipulating payrolls by shifting workers between employer accounts to improperly use a lower contribution tax rate. This is called State Unemployment Tax Act (SUTA) dumping.
- Knowingly providing false information regarding a worker's separation from employment or failing to respond to a claim notice that a worker has filed a UI claim while still working for you.

Consequences of UI Fraud

UI fraud is a serious offense that can carry severe penalties.



For example, it may result in:

- Liens, fines, and a court-ordered operating suspension against your business.
- The fraudulent behavior being shared between state and federal agencies.
- Prosecution or even jail.

Ways to Avoid UI Fraud

- Report the reason for employee separation quickly and accurately.
- Report new hires within 20 days and rehires if 60 days have passed from their first day of employment.
- Respond promptly to all information requests.
- File quarterly UI Tax and Wage reports and pay UI taxes timely.
- Attend appeal hearings.

Help Stop UI Fraud!



If you know or suspect a business or individual is committing UI fraud, please contact us!



Call the Employer Hotline:
405-552-6799

See the state's UI Employer portal <https://eztaxexpress.oesc.state.ok.us/> for more information about reporting and responding electronically.



OKLAHOMA
Employment Security Commission